

## Message Text

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ACTION EUR-12

INFO OCT-01 ISO-00 OIC-02 CIAE-00 DODE-00 PM-04 H-01  
INR-07 L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15  
USIA-06 AID-05 COME-00 EB-08 FRB-03 TRSE-00 XMB-02  
OPIC-03 CIEP-01 LAB-04 SIL-01 OMB-01 STR-04 CEA-01  
OES-06 ITC-01 /100 W  
-----120641Z 014334 /22

R 101138Z FEB 77  
FM AMEMBASSY MADRID  
TO SECSTATE WASHDC 8974

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E.O. 11652: N/A  
TAGS: PFOR, ECON, ETRD, SP  
SUBJECT: US-SPANISH COUNCIL MEETING - DISCUSSION OF JOINT ECONOMIC  
COMMITTEE

1. OPENING DISCUSSION AT FEBRUARY 9 US-SPANISH COUNCIL  
MEETING OF STATUS OF ACTIVITY IN JOINT ECONOMIC COMMITTEE,  
MFA SUBSECRETARY SOLANO SAID HE WAS PLEASED TO LEARN THAT  
AFTER LONG DELAY IN FINDING MUTUALLY CONVENIENT DATE  
INAUGURAL MEETING OF COMMITTEE COULD BE HELD IN MADRID  
MARCH 14. SOLANO SAID GOS CONCERNS WHICH IT WOULD WANT  
TO RAISE IN COMMITTEE REVOLVE AROUND LARGE AND GROWING  
SPANISH TRADE DEFICIT WITH U.S. (\$1.7 BILLION IN 1975)  
AND U.S. TRADE RESTRICTIONS WHICH INHIBIT SPANISH EFFORTS  
TO INCREASE EXPORTS AND REDUCE DEFICIT. SOLANO NOTED  
THAT IN SUPPLEMENTARY AGREEMENT TO TREATY ON FRIENDSHIP  
AND COOPERATION, BOTH COUNTRIES AGREED TO SEEK TO AVOID  
RESTRICTIONS ON TRADE. NEVERTHELESS, U.S. RESTRICTIONS  
ARE IMPOSED OR THREATENING WHICH COULD CAUSE POLITICAL AND  
SOCIAL AS WELL AS ECONOMIC PROBLEMS TO SPAIN, HE CITED  
PARTICULARLY RESTRICTIONS IN THE SHOE AND FISHING INDUSTRIES.  
SPANISH INTENTION AT FIRST ECONOMIC COMMITTEE MEETING, HE SAID,  
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IS TO SEEK POLITICAL COLLABORATION TO RESOLVE SOME OF THESE TRADE  
PROBLEMS AND TO DEAL WITH THEM AGAIN AT NEXT COUNCIL  
MEETING IF NECESSARY.

2. THE AMBASSADOR RESPONDED BY SAYING U.S. TOO IS  
PLEASED WE HAVE REACHED MUTUALLY AGREEABLE DATE FOR  
ECONOMIC COMMITTEE MEETING FOLLOWING DELAYS DUE TO

PERSONNEL CHANGES IN BOTH COUNTRIES. THE AMBASSADOR SUGGESTED THAT EMBASSY AND MFA OFFICIALS CONSULT TO WORK OUT MUTUALLY AGREEABLE AGENDA FOR MEETING. HE ADDED ASSURANCE THAT U.S. TAKES SPANISH CONCERNS SERIOUSLY AND REALIZES TRADE QUESTIONS PROVIDE SOME PROBLEMS IN GENERALLY EXCELLENT OVERALL BILATERAL RELATIONS. U.S. ALWAYS PREPARED FOR FULL DISCUSSIONS ON ALL BILATERAL ISSUES, NOT ONLY IN FRAMEWORK OF COMMITTEES ESTABLISHED BY TREATY, BUT THROUGH OTHER CONTACTS SUCH AS DISCUSSIONS HELD RECENTLY DURING VISIT TO SPAIN OF U.S. DEPUTY ASSISTANT SECRETARY OF TREASURY. AMBASSADOR EXPRESSED CONVICTION THAT NEW U.S. ADMINISTRATION WILL TAKE AN OPEN VIEW TOWARD WORLD TRADE AND WILL BE FULLY CONSCIOUS OF POLITICAL, SOCIAL, AND ECONOMIC RAMIFICATIONS OF RESTRICTIVE TRADE MEASURES. AT SAME TIME, GOS SHOULD BE AWARE THAT U.S. MUST OPERATE WITHIN LIMITS OF U.S. LAWS AFFECTING, FOREIGN COMMERCE. WITH REGARD TO SPECIFIC AREAS OF CONCERN RAISED BY SPANISH, AMBASSADOR SAID HE COULD NOT MAKE ANY DEFINITIVE COMMENT ON ITC RECOMMENDATION ON SHOE IMPORTS SINCE FINDING WILL SOON BE SUBMITTED FOR PRESIDENTIAL DETERMINATION. WITH REGARD TO FISHING, AMBASSADOR SAID HE IS HOPEFUL THAT SIGNING OF GIFA WILL MAKE POSSIBLE MUTUALLY SATISFACTORY BILATERAL AGREEMENT ON CATCH ALLOCATIONS.

3. SOLANO EXPRESSED APPRECIATION AND CONCLUDED BY SAYING THAT WHILE SPAIN REALIZES U.S. HAS LEGAL LIMITATIONS, GOS ALSO HAS LIMITATIONS IMPOSED BY SPANISH INDUSTRY AND BY POLITICAL, SOCIAL, AND ECONOMIC CIRCUMSTANCES.

5. BOTH SIDES AGREED THAT EXCHANGE OF VIEWS ON THESE LIMITED OFFICIAL USE

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AND OTHER ECONOMIC ISSUES WOULD CONTINUE AT FORTHCOMING ECONOMIC COMMITTEE MEETING. STABLER

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NNN

## Message Attributes

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**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** ECONOMIC COOPERATION, COMMITTEE MEETINGS, JOINT VENTURES, TRADE AGREEMENTS  
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**Disposition Date:** 22 May 2009  
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**Disposition Remarks:**  
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**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
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**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
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**To:** STATE  
**Type:** TE  
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**Review Markings:**  
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